

CITY COUNCIL OVERSIGHT COMMITTEE MINUTES

March 3, 2010

The City Council Oversight Committee of the City of Norman, Cleveland County, State of Oklahoma, met at 5:35 p.m. in the City Council Conference Room on the 3rd day of March, 2010, and notice and agenda of the meeting were posted in the Municipal Building at 201 West Gray 48 hours prior to the beginning of the meeting.

PRESENT: Councilmembers Atkins, Griffith, Kovach, and Chairman Dillingham

ABSENT: None

OTHERS PRESENT: Councilmember Cubberley, Ward Seven
Mr. Jeff Bryant, City Attorney
Ms. Kayla Docto, OU Student
Mr. Stephen Koranda, Executive Director, Norman Convention and Visitors Bureau
Mr. Steve Lewis, City Manager
Mr. Jim Rickards, Norman Convention and Visitors Bureau Board Member
Mr. Joe Sparks, Norman Convention and Visitors Bureau Board Chair
Ms. Syndi Runyon, Administrative Assistant IV

CONTINUED REVIEW OF THE CONVENTION AND VISITORS BUREAU REPORTING CRITERIA AND BOARD COMPOSITION.

Mr. Jeff Bryant, City Attorney, said Staff had received language from Mr. Stephen Koranda, Executive Director, Norman Convention and Visitors Bureau (NCVB), regarding proposed changes to their contract, which consists of board composition and reporting requirements. Mr. Koranda said the draft board composition proposes thirteen voting members of the Board of Directors as follows:

- ❖ Seven members elected by the NCVB Board chosen generally from organizations and businesses within Norman that are significantly affected by convention and tourism activities such as the University of Oklahoma (OU); Norman Public Schools; Norman Chamber of Commerce; Norman Arts Council; Norman hotels and hospitality industry; and/or Norman restaurant and entertainment industry.
- ❖ Two members appointed by the Mayor of the City of Norman and chosen generally from organizations and businesses within Norman that are significantly affected by convention and tourism activities such as OU and organized athletic groups.
- ❖ Four members elected by the NCVB Board as chosen generally from the Norman community to serve in an "at large" capacity.
- ❖ Four ex-officio representatives as follows: the Mayor or a City Councilmember as appointed by the Mayor to serve in this role; the City Manager or another City of Norman employee as designated by the City Manager to serve in this role; the Executive Director of the Norman Chamber of Commerce; and the Executive Director of the Norman Economic Development Coalition (NEDC).

Chairman Dillingham asked how the terms of the four board members elected by the NCVB would be handled and Mr. Koranda said board members serve three year terms so two members would be appointed for a three year term then two members would be appointed the next year for a three year term.

Councilmember Kovach said if the contract calls for four new voting directors would that dilute the Mayor's appointments and asked if a third member should be selected by the Mayor. Councilmember Atkins suggested the Mayor appoint three and the NCVB Board elect three and Councilmember Kovach said that is what he would propose. Chairman Dillingham asked Mr. Koranda if he chose four members to be elected by the Board because of some specific expertise the Board would need on a regular basis and Mr. Koranda said consultants in the Destination Marketing World suggest eighteen members with those members specifically outlined. Chairman Dillingham asked if three and three could be done and Mr. Koranda said yes; however, the Board is trying to get an ebb and flow of expertise that is needed. The current nine members are appointed specifically and it is difficult to get that ebb and flow so that was the thought behind the four appointments. Councilmember Cubberley felt the Mayor or Councilmember and City Manager would be on the Board to represent the City's interest so he felt three and three was unnecessary. Chairman Dillingham asked Councilmembers what the NCVB Board might be voting on where the interest of the City would be so paramount that the extra votes would be critical. Councilmember Kovach said he did not have an example, but felt that one of the advantages of having specific spots would be that no person could board load with four at-large, which is a significant amount of the Board. Councilmember Cubberley said if their terms were staggered, they would not be able to board load in any one year and Chairman Dillingham agreed that staggering the terms would outweigh any board loading to adversely affect the City interests. She said since the NCVB has a contract that is reviewed periodically, the City has the authority to make changes, if needed.

Mr. Steve Lewis, City Manager, said a subtle change is mentioned in the memo from Ms. Kathryn Walker, Assistant City Attorney, stating, "The contract amendment as written proposed seven members be generally chosen from the same represented organizations but be elected by the NCVB Board." Mr. Lewis said that meant that organizations chosen may not be elected and Mr. Koranda said no, that the key to that is the language that says, "as chosen from the organizations and businesses." He said, as an example, should the hoteliers appointed someone who is not working well with the Board, the NCVB Board would have the ability to have a dialogue to ask them to explore a different appointment. Councilmember Kovach felt that language was almost veto power and he would prefer the industries choose their representative because that will be fundamental to their representation. Councilmember Cubberley said he could see both sides in that you could get a board member that is not an engaged working member or is disruptive so how do you get rid of them and Councilmember Kovach said through their By Laws. Chairman Dillingham asked what the By Laws say about removing Board members and Mr. Bryant quoted the following from the NCVB By Laws:

"Section 3.3 Removal or Resignation. Any board member may be removed for failure to attend meetings, missing three regularly scheduled meetings within one year shall, at the board's discretion, subject the member to removal. Any board member may be removed by a majority vote of the Board with or without a meeting, by secret ballot. Action by the members without a meeting pursuant to this action shall be evidenced by written consent filed with the minutes of the proceedings of the Board of Directors."

Councilmember Cubberley said it is highly political in the sense that the NCVB responds to the constituent organizations as much as to the City so challenging an organization will anger them and, in reality, not many Boards are going to do that. Councilmember Kovach asked what prevented the Board from having a conversation now with the industries to ask them to reconsider their appointment. Mr. Koranda said there is nothing outlined giving the board an avenue to have an open dialogue and this language allows the Board a legal way to address the situation. Councilmember Kovach asked if there was a way to give the Board that legal authority without writing it into the contract, which he believes is anti-democratic. Chairman Dillingham asked if the Board intends to elect the members from the industries listed and what would prevent the Board from excluding an organization or business. In essence, she asked what the Board was really wanting to accomplish with these appointments and Mr. Koranda assured her the Board was not looking to load the Board with seven hoteliers.

Mr. Jim Rickards, NCVB Board member, asked what the Council's desired outcome of the City having so much influence or guidance over the particulars of the Board. Chairman Dillingham said Council is looking for consistent performance by the NCVB in its use of the City funds and wanted to know how the Board will best and most consistently be able to use the money that comes from taxpayers. Mr. Rickards said the biggest challenge facing the Board right now is that the Board is so diverse with entities that do not understand the hospitality industry so it is very hard to get everyone on the same page on the best way to spend the limited marketing dollars to remarket convention and tourism into Norman. He said the Board needs the schools involved as well as the other entities, but it does become difficult. Councilmember Kovach asked Mr. Lewis his opinion and Mr. Lewis said he is sympathetic to the position Mr. Rickards is making in seeing more representation from the hoteliers and felt the Board is a little bit out of balance.

Councilmember Cubberley said, in reading the language, he did not see a reason not to go along with the language; however, he felt that vetoing the Mayor's appointments would be a problem. Mr. Lewis said the two Mayoral appointments would not be subject to being elected by the NCVB Board and Mr. Bryant said that is correct.

Mr. Koranda distributed a memo detailing proposed amendments to the contract regarding requirements for reporting performance measure and indicators. Councilmember Kovach asked if benchmarks for the Big 12 could be part of the reporting and Mr. Koranda said yes, but Council must understand that would be dependent upon the camaraderie of the Big 12 CVB's. Chairman Dillingham suggested this not be a part of the reporting, but instead asked Mr. Koranda to make inquiries and gather information to report. She also suggested looking at cities similar in size to Norman, but not necessarily university cities. She also stated she would like the reports to be consistent from page to page as well as the contract to make reading and finding information easier and asked Mr. Koranda to draft a report form for Council's review. Chairman Dillingham asked Mr. Lewis if Council should review the proposed amendments and reporting forms at a Study Session and he said yes. Mr. Bryant said amendments will also have to be made to the Code of Ordinances.

Councilmembers asked Mr. Koranda if the NCVB had talked about diversification of funding and he said the Board has discussed that and the NCVB is too dependent on Transient Room Tax. He said the Board would like to get away from that and actually make money.

Councilmembers said they would like to see the draft report forms and contract amendments in a Study Session before July 1st. She said the Committee will continue discussion on a Charter Review Committee at their next meeting on April 7th.

Items submitted for the record

1. Memorandum dated February 23, 2010, from Kathryn L. Walker, Assistant City Attorney, through Jeff H. Bryant, City Attorney to City Council Oversight Committee
2. Proposed Amendment No. Six to Contract No. K-9293-136
3. Pertinent excerpt from current contract with NCVB regarding reporting requirements
4. Memorandum dated March 3, 2010, from Stephen Koranda, NCVB Executive Director, to City Council Oversight Committee

MISCELLANEOUS DISCUSSION.

None

The meeting adjourned at 6:32 p.m.

ATTEST

Deputy City Clerk

Mayor